

CONSOLIDATED INSURANCE TRUST
INVESTMENT PERFORMANCE REPORT AS OF AUGUST 31, 2004

	August-04					July-04					Current FYTD		Prior Year FY04		3 Years Ended	5 Years Ended
	Allocation		Returns-Month		Net	Allocation		Returns-Month		Net	Returns		Returns		6/30/2004	6/30/2004
	Market Value	Actual	Policy(1)	Gross		Market Value	Actual	Policy(1)	Gross		Gross	Net	Gross	Net		
LARGE CAP DOMESTIC EQUITY																
<i>Structured Growth</i>																
Los Angeles Capital	17,810,691	1.5%	1.6%	-0.37%	-0.39%	17,888,702	1.6%	1.6%	-5.02%	-5.03%	-5.37%	-5.40%	N/A	N/A	N/A	N/A
Total Structured Growth	17,810,691	1.5%	1.6%	-0.37%	-0.39%	17,888,702	1.6%	1.6%	-5.02%	-5.03%	-5.37%	-5.40%	17.84%	17.58%	-6.28%	-7.85%
<i>Russell 1000 Growth</i>				-0.49%	-0.49%				-5.65%	-5.65%	-6.12%	-6.12%	17.88%	17.88%	-3.74%	-6.48%
<i>Structured Value</i>																
LSV	19,104,849	1.6%	1.6%	1.45%	1.42%	18,832,559	1.7%	1.6%	-1.18%	-1.21%	0.25%	0.20%	30.96%	30.56%	9.33%	8.36%
<i>Russell 1000 Value</i>				1.42%	1.42%				-1.41%	-1.41%	-0.01%	-0.01%	21.13%	21.13%	2.96%	1.87%
<i>Russell 1000 Enhanced Index</i>																
Los Angeles Capital	37,798,653	3.3%	3.2%	0.23%	0.22%	37,733,646	3.3%	3.3%	-3.54%	-3.56%	-3.32%	-3.35%	N/A	N/A	N/A	N/A
<i>Russell 1000</i>				0.49%	0.49%				-3.51%	-3.51%	-3.04%	-3.04%	N/A	N/A	N/A	N/A
<i>S&P 500 Enhanced Index</i>																
Westridge	36,953,173	3.2%	3.2%	0.46%	0.44%	36,813,643	3.3%	3.3%	-3.28%	-3.30%	-2.84%	-2.88%	N/A	N/A	N/A	N/A
<i>S&P 500</i>				0.40%	0.40%				-3.31%	-3.31%	-2.92%	-2.92%	N/A	N/A	N/A	N/A
<i>Index</i>																
State Street	11,127,187			0.41%	0.41%	11,084,091			-3.32%	-3.32%	-2.92%	-2.93%	19.07%	19.01%	-0.75%	-2.28%
Total Index	11,127,187	1.0%	1.1%	0.41%	0.41%	11,084,091	1.0%	1.1%	-3.32%	-3.32%	-2.92%	-2.93%	19.07%	19.01%	-0.75%	-2.28%
<i>S&P 500</i>				0.40%	0.40%				-3.31%	-3.31%	-2.92%	-2.92%	19.11%	19.11%	-0.70%	-2.21%
TOTAL LARGE CAP DOMESTIC EQUITY	122,794,553	10.6%	10.7%	0.42%	0.40%	122,352,641	10.8%	10.8%	-3.31%	-3.33%	-2.90%	-2.94%	21.63%	21.46%	0.15%	-1.39%
<i>S&P 500</i>				0.40%	0.40%				-3.31%	-3.31%	-2.92%	-2.92%	19.11%	19.11%	-0.70%	-2.21%
SMALL CAP DOMESTIC EQUITY																
<i>Manager-of-Managers</i>																
SEI	57,137,106	4.9%	5.3%	-1.17%	-1.22%	57,885,664	5.1%	5.4%	-7.23%	-7.28%	-8.32%	-8.41%	33.80%	32.99%	5.51%	N/A
<i>Russell 2000 + 200bp</i>				-0.35%	-0.35%				-6.57%	-6.57%	-6.89%	-6.89%	35.99%	35.99%	7.90%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	57,137,106	4.9%	5.3%	-1.17%	-1.22%	57,885,664	5.1%	5.4%	-7.23%	-7.28%	-8.32%	-8.41%	33.80%	32.99%	5.54%	7.29%
<i>Russell 2000</i>				-0.51%	-0.51%				-6.73%	-6.73%	-7.21%	-7.21%	33.36%	33.36%	6.24%	6.63%
CONVERTIBLES																
<i>TCW</i>	66,448,796	5.7%	6.1%	-0.52%	-0.55%	66,877,858	5.9%	6.1%	-5.02%	-5.05%	-5.51%	-5.57%	17.91%	17.50%	1.03%	3.90%
<i>First Boston Convertible Index</i>				-0.30%	-0.30%				-2.49%	-2.49%	-2.78%	-2.78%	14.16%	14.16%	4.89%	5.75%
INTERNATIONAL EQUITY																
<i>Large Cap - Active</i>																
Capital Guardian	44,515,674	3.8%	4.0%	0.42%	0.38%	44,424,289	3.9%	4.1%	-3.44%	-3.48%	-3.03%	-3.11%	25.89%	25.36%	-0.39%	0.54%
<i>MSCI EAFE - 50% Hedged</i>				0.12%	0.12%				-2.80%	-2.80%	-2.68%	-2.68%	26.98%	26.98%	-1.27%	-2.14%
<i>Small Cap - Value</i>																
Lazard	6,204,163	0.5%	0.5%	0.36%	0.30%	6,186,032	0.5%	0.5%	-2.94%	-3.00%	-2.60%	-2.71%	44.23%	43.30%	N/A	N/A
<i>Citigroup Broad Market Index < \$2BN</i>				1.00%	1.00%				-4.20%	-4.20%	-3.24%	-3.24%	47.95%	47.95%	N/A	N/A
<i>Small Cap - Growth</i>																
Vanguard	5,932,359	0.5%	0.5%	0.93%	0.87%	5,881,071	0.5%	0.5%	-7.63%	-7.69%	-6.77%	-6.89%	45.72%	44.68%	N/A	N/A
<i>SSB BROAD MARKET INDEX < \$2BN</i>				1.00%	1.00%				-4.20%	-4.20%	-3.24%	-3.24%	47.95%	47.95%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	56,652,196	4.9%	5.1%	0.47%	0.43%	56,491,392	5.0%	5.1%	-3.82%	-3.86%	-3.37%	-3.45%	29.78%	29.16%	1.02%	1.39%
<i>MSCI EAFE - 50% Hedged</i>				0.12%	0.12%				-2.80%	-2.80%	-2.68%	-2.68%	26.98%	26.98%	-1.27%	-2.14%
DOMESTIC FIXED INCOME																
<i>Core Bond</i>																
Western Asset	188,521,470	16.3%	14.5%	2.08%	2.06%	184,842,663	16.3%	14.6%	1.26%	1.24%	3.37%	3.33%	2.61%	2.42%	7.77%	8.10%
<i>Lehman Aggregate</i>				1.91%	1.91%				0.99%	0.99%	2.92%	2.92%	0.32%	0.32%	6.35%	6.95%
<i>Index</i>																
Bank of ND	242,457,382	20.9%	20.7%	1.66%	1.66%	238,602,133	21.1%	20.9%	0.77%	0.77%	2.44%	2.43%	0.13%	0.07%	7.10%	7.25%
Bank of ND CD'S	11,376,023	1.0%	1.0%	0.30%	0.30%	11,342,866	1.0%	1.0%	0.30%	0.30%	0.59%	0.59%	3.53%	3.53%	4.06%	4.76%
Total Index	253,833,405	21.9%	21.7%	1.60%	1.59%	249,944,999	22.1%	21.9%	0.75%	0.74%	2.36%	2.35%	0.34%	0.28%	6.76%	7.03%
<i>Lehman Intermediate Gov/Credit (2)</i>				1.67%	1.67%				0.84%	0.84%	2.53%	2.53%	-0.05%	-0.05%	6.97%	7.25%
<i>BBB Average Quality</i>																
Strong	105,208,110	9.1%	7.2%	2.41%	2.39%	102,719,075	9.1%	7.3%	1.39%	1.37%	3.83%	3.79%	1.43%	1.18%	N/A	N/A
<i>Lehman US Credit BAA</i>				2.55%	2.55%				1.40%	1.40%	3.99%	3.99%	1.96%	1.96%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	547,562,985	47.2%	43.4%	1.92%	1.91%	537,506,737	47.5%	43.7%	1.05%	1.03%	2.99%	2.96%	1.94%	1.77%	7.58%	7.77%
<i>Lehman Gov/Credit</i>				2.12%	2.12%				1.06%	1.06%	3.19%	3.19%	-0.72%	-0.72%	6.73%	7.10%
TREASURY INFLATION PROTECTED SECURITIES (TIPS)																
Northern Trust Global Investments	125,042,805	10.8%	10.4%	2.68%	2.68%	121,759,015	10.8%	10.5%	0.80%	0.80%	3.50%	3.49%	N/A	N/A	N/A	N/A
Western	126,025,315	10.9%	10.4%	2.63%	2.63%	122,687,928	10.8%	10.5%	1.03%	1.03%	3.69%	3.68%	N/A	N/A	N/A	N/A
TOTAL TIPS	251,068,120	21.7%	20.8%	2.65%	2.65%	244,446,943	21.6%	21.0%	0.92%	0.91%	3.60%	3.59%	N/A	N/A	N/A	N/A
<i>LB US TIPS Index</i>				2.68%	2.68%				1.33%	1.33%	4.05%	4.05%	N/A	N/A	N/A	N/A
REAL ESTATE																
<i>Manager To Be Determined</i>	-	0.0%	5.6%	N/A	N/A	-	0.0%	5.7%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<i>NCREIF Total Index</i>				1.03%	1.03%				1.03%	1.03%	2.08%	2.08%	N/A	N/A	N/A	N/A
CASH EQUIVALENTS																
<i>Bank of ND</i>	57,503,710	5.0%	3.0%	0.14%	0.14%	46,763,610	4.1%	2.1%	0.13%	0.13%	0.27%	0.27%	1.20%	1.20%	1.72%	3.39%
<i>90 Day T-Bill</i>				0.12%	0.12%				0.12%	0.12%	0.24%	0.24%	0.98%	0.98%	1.71%	3.30%
TOTAL INSURANCE TRUST	1,159,167,465	100.0%	100.0%	1.47%	1.45%	1,132,324,846	100.0%	100.0%	-0.58%	-0.60%	0.88%	0.85%	9.49%	9.25%	5.25%	5.77%
<i>POLICY TARGET BENCHMARK</i>				1.54%	1.54%				-0.21%	-0.21%	1.32%	1.32%	7.17%	7.17%	5.15%	5.32%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Because each fund within the Insurance Trust has a different policy allocation, the consolidated report reflects a weighted average of all of the funds' policy allocations.

(2) Prior to April 1, 2004, the benchmark was the LB Govt/Credit index.